

# Press Release

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## Lake County Commissioners Ignored Recorder's Budgetary Concerns and Offer of Cost Cutting Assistance

**Recorder's Office 32% Staff Reduction Over Nine Years Leads All County Offices**

**For Further Information Contact:**

Frank Suponcic (440)-350-2508 or (440)-449-6800

Email – [fsuponcic@lakecountyohio.gov](mailto:fsuponcic@lakecountyohio.gov) or fsuponcic@skodaminotti.com

[Painesville, OH] – Last week's Facebook posting by Lake County Recorder Frank A. Suponcic came as a surprise to some. For others that work with and know Suponcic, knew that the budget cuts forced on him by County Commissioners literally ate at him. He didn't think that they were fair.

After all, over the nine years that he has served as Recorder, Suponcic had felt like he had gone above and beyond to voluntarily save Lake County Commissioners (and taxpayers) over a million dollars. And in one unprecedented instance even authorized the Commissioners to transfer \$200,000 of excess funds that had accumulated in an unrelated equipment fund to the County's general fund. He considered himself a team player in the budget crisis..

“I feel as if I was penalized (in 2010) for making voluntary operational cuts several years back when I wasn't required by County Commissioners. However, they were the right business decision to make. And I don't regret making any of them. If I hadn't made such operational improvements, over eight years Lake County would have expended in excess of \$1.5M dollars. The Commissioners would have gladly approved all budgets over those years as they would have been relatively consistent in amount with prior period expenditures.”

Then the budget crunch occurred. The Commissioners budgetary approach wouldn't have changed dramatically and Suponcic would have taken a proportionate budget reduction for "doing nothing" or maintaining the status quo.

"See, that's what's wrong with government. Doing nothing is the norm. Saving money and controlling operating costs isn't recognized and certainly isn't rewarded."

For example, if a non-salary line item was \$10,000 in 2007, but \$15,000 in the two preceding years of 2005 and 2006, chances are that line item would be further cut in the budgetary process to \$9,000 in 2008. You wouldn't hear any complimentary comment on spending less than what was budgeted, the mentality is that you can certainly do with less the following year. What then occurs? Department heads and elected officials know this game and as a result will at times spend what had been appropriated to them for fear that by being efficient will only penalize them in fewer line item appropriations the following year. And that's exactly what doesn't make sense. "What incentive does any elected official have to make hard, and at times, unpopular decisions? None. Yet, it's those fiscally prudent decisions that taxpayers demand and expect. Under most governmental budgetary systems cost efficiency isn't the objective. The current system encourages spending. Unnecessary spending in order to save future budgets only depletes available cash resources for future periods," added Suponcic.

Last week's posting on Facebook was the first time that Suponcic had expressed concerns on his budget cuts. He hand delivered to Lake County Commissioners a letter on October 19, 2009 outlining his argument on the cost cutting measures and staff reductions that he and his staff had taken over the years. As a result of such voluntary efforts, and measureable results, he asked that such actions be taken into consideration. They weren't.

"I felt like the voluntary cost cutting efforts we have implemented were never considered by Commissioners. They obviously didn't want to hear anyone make a case to be spared any budget cuts. Not one of them had the courtesy to respond to my letter in any manner. No one wanted to discuss the merits of my argument. No one wanted to acknowledge that the offices managed by me led Lake County governmental offices in overall staff reduction for the period from 2000-2009. This office is 32% less staffed than the day I arrived. On top of that, there are three staff members that voluntarily reduced their hours by one full work day several years ago."

Also in Suponcic's October 19<sup>th</sup> letter, he had provided Lake County Commissioners with the name of a cost reduction consultant that could have assisted the County reduce some general operating costs. With such type of consultants, there is no fee unless the vendor can identify direct cost savings. One-half of any savings over the immediate two-year period would be the consultant's commission. No savings identified, no cost to taxpayers.

"Not only did Lake County Commissioners fail to contact me, to my knowledge none of them ever called the cost reduction consultant to see how his firm (or even one like his) could save Lake County some operating costs for years to come. To have someone from the outside come in, evaluate some targeted expense areas, make recommendations for cost efficiency wouldn't have cost Lake County one cent! Somehow I fail to understand the business logic on how such an offer wasn't acted upon. To me, that doesn't send a very positive message regarding overall cost reduction if you can't lead by a simple example such as this."

"It's all elected officials responsibility to reduce operating costs. The cost of government is excessive. Fortunately, some can find efficiencies on their own. Others seek the help of outside agencies such as the Ohio Auditor's office and experts like the one that I had recommended. To do nothing and expect the best is just unacceptable. I suppose if you don't know how to cut costs at minimum governmental officials, at every level, owe a responsibility to taxpayers to seek the assistance of someone that can."

"The costs of operating government at just about every level can be reduced. In the Recorder's office, we have. The employment statistics provided speak for themselves. Soon, we will share an analysis of Lake County general budgetary data which will further support my discontent on how this recent budget matter was handled."

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